



Monday, May 19, 2003

Country of Origin Labeling, Program Agricultural Marketing Service, USDA Stop 0249, Room 2092-S 1400 Independence Avenue, S.W. Washington, D.C. 20250-0249

Gentlemen:

We have reviewed the Country of Origin Labeling rules in the Federal Register.

The voluntary guidelines as written will provide a framework for a system that will shift costs and record keeping burdens to Independent retailers that will have to be reflected in consumer prices.

The current COOL requirements would hold retailers accountable for maintaining a complete and verifiable two-year audit trail for covered items at store level. The records would go as far as having to indicate where an animal was born or the country in which a produce item was grown. This burden of proof should be the responsibility of producers and suppliers. They should be verifying and certifying the country of origin.

The USDA has drastically underestimated the cost burden that the record keeping alone would place on an Independent retailer. AMS (Agricultural Marketing Service) estimated the cost at \$628 million per year for retailers for the first year alone and that does not include costs for printing and applying labels and charges to computer systems.

The entire COOL program is anti-small business. Independent retailers will face disproportionately higher compliance costs as compared to our larger competitors.

Thank You.

Richard Grobman

President